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6 November 1963

AGENCY NEWSLETTER
(Return to Fran)

TO ALL SUPERVISORS:

1. The past few months have been a period of intense activity at Headquarters. The Cuban crisis having calmed down somewhat, we now find ourselves in the middle of the Vietnamese crisis. Much has been written and will be written about the Agency's role in the crisis and certain aspects of it have political overtones. In a newsletter such as this there is not space to permit a complete analysis of the performance of the Agency, but I believe the question you would most like answered is whether you can be proud of what the Agency has done in South Vietnam. The answer is "Yes, you can be very proud". You are familiar, after the Cuban crisis, with the fact that once a situation develops into this magnitude it is almost impossible to protect our operations, and once they are opened to scrutiny they are often misrepresented and misinterpreted, so I want to take this opportunity to tell you that we here in Headquarters consider that the Agency's performance in South Vietnam has been first-rate. We are confident that the top executives of our Government, members of Congress and the press are becoming more and more aware of the importance of the Agency in carrying out national policy.

2. It should be of particular interest to the personnel in the GS-13 to GS-15 category that the first Mid-Career Training Course began on 7 October with 30 students representing all major components of the Agency. This Course is part of the Agency Mid-Career Training Program which establishes the principle that each Career Service will make a critical assessment of each of its members at his mid-career stage to evaluate his prior experience, accomplishments and potential. This will serve as a basis for planning an appropriate program for his future training and growth to insure that the individual will be of most value to his Career Service and to the Agency. The training program will be tailored to each individual's needs, taking into consideration his prior experience and training as well as his probable future development and responsibilities. The training may be stretched over several months or years. The Mid-Career Training Course, of approximately six weeks duration, is one part of the Mid-Career Training Program. Among other topics, the Course covers the functioning of the various components of the Agency; the

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functioning of other agencies of the US Government, particularly those with intelligence and action responsibilities, and the Agency's relation to them; also covered are foreign and domestic political and other factors affecting US Government policy and actions. To give you an indication of the quality of the Course, the following individuals, in addition to almost all the top officers of the Agency, were speakers at the first course: Allen Dulles, McGeorge Bundy, William Bundy, G. Mennen Williams and Dean Acheson.

3. The Director and all other senior officers of the Agency have been doing everything possible to see that the Early Retirement Bill is enacted into law. As you are aware, its purpose is to afford an improved retirement system for a portion of the employees of CIA. Generally only those career employees whose work is oriented toward the conduct and support of intelligence activities abroad are to be covered under the system. It was determined that rather than establish an entirely new system, the Agency would follow precedent established in the retirement field by Foreign Service legislation. Consequently, the Bill authorizes the establishment of a separate retirement system for the Agency which is substantively identical to that of the Foreign Service. It is estimated that approximately thirty percent of all Agency employees will qualify for coverage under this system. The Bill provides for voluntary retirement at age 50 if an employee has 20 years of Government service and at least five years of service with the Agency. Where individuals in GS-14 and above are retired involuntarily, they would be entitled to draw an immediate earned annuity regardless of age. Where the employee involuntarily retired is grade GS-13 or below, he would be entitled to severance pay equal to one month's pay for each year's service not to exceed 12 months and, if otherwise eligible, to deferred annuities at age 60. It is believed the enactment of this legislation will fulfill Agency needs and will enable the Agency to keep a younger service by retiring people earlier and providing for them a more equitable annuity. It will, we believe, significantly improve the career structure of CIA and will permit greater efficiency and flexibility to Agency management and administration generally.

I am certain you will be interested in these remarks of Mr. McCone when he discussed the Bill before the House Armed Services Committee on 23 July:

"I have now been associated with the Central Intelligence Agency for almost two years and I have been Director since the 29th of November 1961.

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"During the period of my service with Secretary Forrestal in 1947 and 1948, and as Under Secretary of the Air Force in 1950 and 1951, and more recently as Chairman of the Atomic Energy Commission in 1958 and 1961, I naturally had a very considerable contact with CIA. Hence, through direct participations in recent years, and through a less intimate but still important contact over a long period of time, I have been able to personally evaluate the quality, integrity, and the dedication of the employees of the Agency.

"It is my belief that the caliber of the personnel of the Agency is unequalled in any other agency of Government and, for that matter, any private industry with which I have been associated. I can say very frankly that I have never been surrounded by a group of men of greater intellectual quality or more sincere dedication of purpose than the men associated with me in the Central Intelligence Agency.

"For the most part, the senior men and women in the Agency possess a most unusual academic background, and, in addition, a high degree of professionalism gained through uninterrupted service extending over a great many years with the CIA and its predecessor organizations.

"With world conditions as they are, and in view of the serious responsibilities assigned to the Central Intelligence Agency by law or by Presidential directives, I believe it essential that the superb quality of men and women of CIA be maintained and indeed be improved, and, moreover, that the dedication of these employees be recognized by the provision of adequate benefits.

"I believe the enactment of this legislation will be a positive step in this direction. The legislation will significantly improve the career structure of the Agency and will permit greater efficiency in personnel management of the Agency."

"The task of the Central Intelligence Agency is a most serious and difficult one. We are charged by law with the responsibility of furnishing to the President and his policy advisers evaluations concerning the intentions of other countries, most particularly of the Communist bloc. Upon these evaluations

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hinge a great many basic decisions which affect the security and the future of the United States, and, for that matter the free world.

"We in the Government can afford nothing less than the best in personnel who shoulder this responsibility, and the proposed Central Intelligence Agency retirement system will in my opinion do a great deal in maintaining the quality of that which we now have and in encouraging its continual improvement.

"I therefore heartily endorse this legislation, and I urge its early and favorable consideration by the Congress.

"As this committee knows, Lt. Gen. Marshall Carter, Deputy Director of Central Intelligence, serves as the General Manager of the Central Intelligence Agency. This is a necessary arrangement if I, as the President's principal intelligence officer, am to be free to consider problems of the intelligence community as a whole.

"General Carter, therefore, is the man in CIA most familiar with all of the details of this legislation and best equipped to present the matter to you and to answer your questions.

"However, this is a subject which has been close to me in CIA and in the State Department when I was studying this problem as a member of Secretary Dulles' personnel policy committee, and also in the Defense Department as well.

"In introducing General Carter and asking that he continue this presentation, I wish to assure you of my support of this legislation and my desire to answer any questions you may care to direct to me."

You will also be interested in the remarks of Congressman Rivers on 4 September when he was discussing the proposed Bill before the House Armed Services Committee:

"Let me at the outset say, Mr. Chairman, that we worked pretty hard on this bill. It affects one of our vital agencies. It is doing an outstanding job . . .

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"In our opinion, many CIA employees serve under conditions which are as difficult, probably more dangerous and onerous than the conditions which led to improved retirement benefits for the Foreign Service and certain personnel of the FBI and other agencies.

"CIA employees who will come under this proposed system are obligated, in writing, to serve anywhere in the world according to the needs of the Agency, as is the case in the Foreign Service and the military, but unlike the normal civil service employee. The Agency has a definite need to maintain a young service by encouraging earlier retirement and in some cases directing earlier retirement. The voluntary early retirement features of the proposed legislation will serve this end."

The Bill has passed the House and is now before the Senate Committee on Armed Services.

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5. The Field will be interested to learn of the broadened effort the Agency has mounted to create a better understanding of our capabilities on the part of the military and the State Department. We are now giving briefings to the senior military schools (such as the National War College), interdepartmental seminars (conducted by the Foreign Service Institute), and the State Department senior seminar group, on the mission and functions of the Agency and its role in counterinsurgency. As part of this program the faculty, student body and directing staff of the National War College visited the Agency on 14 October to attend lectures and briefings. We believe these efforts are having a good effect in gradually producing a realistic and mature understanding of the Agency among senior US officials who should understand our role.

6. Along these same lines, "The 100 Universities Program" gives a new dimension to Agency recruitment and public relations. During the week of 4 November, 20 senior officials, drawn from the four Deputy

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We have gained immensely in practical knowledge as a result of the Cuban crisis, and as you are aware we have made a number of practical adjustments based on this experience. However, much remains to be done.

8. There have been several major organizational changes in the Agency about which you should be aware. On 6 August 1963 Mr. McCone approved the reorganization of the DD/R, redesignated the Deputy Directorate for Science and Technology; Dr. Albert D. Wheelon was named Deputy Director. The DD/S&T retains the Office of Special Activities, the Office of Elint and the Office of Research and Development. In addition, the Office of Scientific Intelligence was moved from DD/I to DD/S&T and the Automatic Data Processing Staff was moved from DD/S to DD/S&T and renamed the Office of Computer Services. At the time of the reorganization the DCI gave the following reasons for establishing the DD/S&T:

- a. To insure the professional coupling of all Agency scientific and technical assets and programs.
- b. To enlarge and improve Agency scientific and technical environment.
- c. To facilitate the development of the scientific and technical career services.
- d. To give flexibility in the collection and analysis of scientific and technical material.
- e. And, finally, to facilitate shift in skills as changing requirements demand.

The DD/S&T will continue to support National Intelligence Estimates through ONE and coordinate fully with DD/I all scientific and technical intelligence production for consumers outside the Agency.

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The Office of Computer Services pools the majority of Agency capabilities and equipment in this field.

Dr. Wheelon also replaces the DDCI as Chairman of the Agency Research and Development Review Board, comprised of the Chief of the Technical Services Division, the Director of Communications, the Assistant Director for Scientific Intelligence, and the Director of the National Photographic Interpretation Center. This Board was established for the purpose of reviewing and integrating research and development activities, and scientific and technical efforts, in the various Agency components concerned. The Board also ensures that all scientific and technical activities are constantly related to the broadest interpretation of the Agency's mission and constitutes a reviewing body for the Agency's research and development effort as a whole.

9. As you can see we have been making a major effort to give our scientific and technical activity the important place the times call for. As a further step to bring excellence to our scientific and technical effort, the DCI on 16 June 1963 appointed [REDACTED]

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[REDACTED] The purpose of this Board will be to advise the Director on the adequacy of the Agency research and development effort and point out possible application of newly emerging scientific developments to the mission of the Central Intelligence Agency. [REDACTED] is ably assisted by top-notch experts from the American industrial and academic scene.

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10. Another change of real significance has been the appointment of Mr. John Bross to be Deputy to the Director for National Intelligence Programs Evaluation. On 6 September 1963 the DCI sent a memorandum to the members of the USIB which stated:

"At the time of my appointment as Director of Central Intelligence and later by letter of 16 January 1962, the President directed that I maintain, with the Heads of the Departments and Agencies concerned, a continuing review of the programs and activities of all Departments and Agencies engaged in foreign intelligence activities.

"The purpose of this directive was to ensure proper coordination of all elements of the Intelligence Community and to provide effective guidance to them in the interest of

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ensuring efficiency and completeness of coverage with a minimum of waste and duplication. To date I have discharged these responsibilities personally, working directly with you or your representatives on the United States Intelligence Board.

"I now feel that to carry on this work more effectively a small staff reporting directly to me is necessary. Therefore I am appointing Mr. John A. Bross as my Deputy for National Intelligence Programs Evaluation and have directed him to organize the necessary staff. He will be responsible for the review and evaluation of programs of the Intelligence Community as a whole. He will represent me in my capacity as Director of Central Intelligence as contrasted with my responsibility as Director of the Central Intelligence Agency.

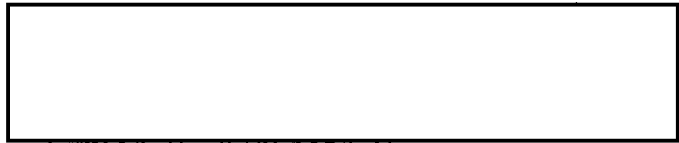
"Initially it is my intention that Mr. Bross and his staff concern themselves primarily with the development of a community-wide intelligence activity inventory to establish the totality of the United States foreign intelligence effort in terms of activities performed, their objectives, and the resources committed to their support. Such an inventory will serve as a basis for community-wide program evaluation and will facilitate judgments concerning the relative cost and effectiveness of particular programs, thereby contributing to sound decisions concerning our investment of money and manpower in our intelligence effort.

"In addition, Mr. Bross will review and evaluate for me the actions of the USIB committees and members of the Intelligence Community taken to implement the Priority National Intelligence Objectives as established at regular intervals by USIB. The PNIO's set forth the most important tasks to be undertaken by the Intelligence Community, and thus serve as a guideline for the community's activities. The reviews will be submitted to the United States Intelligence Board periodically."

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11. This Newsletter is designed to give all Supervisors, in both Headquarters and the Field, a brief review of the latest major developments concerning the Agency. Further distribution is up to the individual supervisors, but after it has served its purpose, please destroy it.

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Lyman B. Kirkpatrick
Executive Director